2. That the District Educational Officers be placed in charge of institutions of all grades and types in their respective districts and made directly responsible to the Director, the staff of their offices being strengthened.

3. That the inspection of the New Type Middle Schools and Middle Schools and Hostels in rural areas be assigned to Assistant Inspectors, those in district and taluk headquarters being inspected by the District Educational Officers and enlarged powers being given to the District Educational Officers and Assistant Inspectors to enable them to discharge their increased responsibilities;

4. That in view of the increase in the responsibilities to be assigned and the powers to be invested in the District Educational Officers, six places in the grade Rs. 300—20—400 be allocated to these officers by temporarily raising one of the posts in the grade Rs. 200—25/2—300 to Rs. 300—20—400 until the latter is transferred back from the Women's to the Men's cadre and four posts in the lower grade of Rs. 200—25/2—300 be raised to Rs. 300-20-400-25-450;

5. That with a view to providing the District Educational Officers with competent assistance, the grades of the ten Office Assistants to the District Educational Officers be revised from Rs. 35—100 to Rs. 100—7—170;

6. That with regard to the Director's Office, the post of the First Assistant be retrenched, the post of the Second Assistant being converted into that of a Personal Assistant to the Director of Public Instruction in the grade Rs. 200-25/2-300 with the additional staff as detailed below and revision of the grade of the Superintendent of the Special Communities Section from Rs. 75—5—120 to Rs. 100—5—125 to bring it into line with the grade of the other Superintendents in the office:—

1. One Superintendent for Buildings Section in grade Rs. 100—5—125.

2. Three Personal Clerks for Deputy Directors on Rs. 45 each.

3. Four Clerks on Rs. 45 each.
4. Five Clerks on Rs. 40 each.
5. Two Typists in grade Rs. 30—3—60.
6. Nine Peons in grade Rs. 11—½—15.

7. That the present clerical and menial staff of the three Deputy Directors as well as the Office Assistants to the Deputy Directors together with the furniture and other equipment of their offices be distributed among the District Educational Offices as well as his office and a recurring expenditure of Rs. 2,750 per annum for travelling allowance to the three Deputy Directors and their establishment and a non-recurring grant of Rs. 2,500 for purchase of additional articles of furniture be provided.

The proposals of the Director involve an extra cost of Rs. 29,570 per annum as indicated in the proposition statement appended. But there would be a saving of Rs. 2,200 out of the existing allotment for travelling allowance to Deputy Directors and therefore the net extra cost involved in the proposals would be only Rs. 27,370 per annum.

The proposals of the Director of Public Instruction are sanctioned with effect from 1st May 1946 with the modification that the grades of the two of the posts of Deputy Directors be Rs. 500—50/2—750 instead of Rs. 500—40—700 and that the grade of four posts of District Educational Officers be Rs. 400—25—450 instead of Rs. 300—20—400—25—450. The extra cost required during the current year will be met from the sanctioned grants of the department and the necessary provision will be made in the budgets of the next and subsequent years.

N. S. HIRANNAYYA, *Edn. Secy.*

FINANCIAL SECRETARIAT

Constitution of a Financial Branch in the Agricultural and Veterinary Departments.

READ—

Government Order No. A. F. 1033-4—Agri. 340 43-2, dated the 29th August 1944, sanctioning the appointment of an Accounts Assistant to the Director of Agriculture.

2. Letter No. Fl. 5328—43-44, dated the 9th April 1945, from the Director of Agriculture, forwarding with his remarks, a note in the matter of constituting a Financial Branch attached to the Agricultural Department.

3 Unofficial Note No. 793—Es., dated 11th September 1945, of the Comptroller in the matter.

ORDER NO. Fl. 6047-9—G. F. 164-44-6, DATED BANGALORE, THE 8TH FEBRUARY 1946.

In view of the large expansion of the activities of the Agricultural Department on all sides during recent years to meet the growing needs of agriculture and Animal Husbandry, the total volume of financial transactions of the Agricultural and Veterinary Departments have increased to a considerable extent. The transactions on account of sale of manure and agricultural implements have also increased enormously thus throwing a very heavy responsibility on the Director of Agriculture and his staff in accounting for the same. The "Grow More Food Campaign" has also considerably added to their work. The Director of Agriculture had accordingly recommended, in January 1945, to Government the constitution of a separate Financial Branch in the Agriculture Department to assist him in the management of the Financial transactions of the department and for the audit of the same. Pending detailed examination of the proposals for the constitution of a Financial Branch, Government had sanctioned the post of an Accounts Assistant.

The Director of Agriculture has again forwarded a detailed note prepared by the Accounts Assistant with his remarks for the formation of a separate Financial Branch, the same being entrusted also with the audit of the transactions of the department.

At present, just as in the case of other spending departments, the audit of the accounts of this office is centralised in the Comptroller's Office and is limited to the check of establishment, contingent and travelling allowance bills and to such of the bills relating to purchases, etc., as are required by rules to be pre-audited. Most of the vouchers come only under post-audit, *i.e.*, audit after payment and considerable delay in the audit of these accounts has therefore become inevitable. A large number of institutions and ranges handling huge stocks do not come under a systematic and periodical local audit. The Head of the Department, under the present arrangement, has also no scope to get into close touch with the working of these institutions on the financial side. In the absence of a trained audit and accounts personnel within the department to work in close contact with the day-to-day administration, no useful help would be available for the administration and the audit would only be of an academical value.

An efficient check over the transactions of this department therefore does not exist. In view of the fact that there is likely to be further expansion in this department due to attention that is being paid to agricultural problems and the development of agriculture, it is necessary that more attention is paid to the audit and accounting of the transactions of this department.

For making financial control effective and for enforcing proper control of expenditure with due regard to efficiency, Government feel that it is necessary to develop a system of internal audit conducted with an intimate knowledge of the practical working of the department so that errors and irregularities may be avoided in time and the administrative officers may have the advantage of timely financial advice and assistance. It is also necessary to have the accounts in a manner calculated to keep the Head of the Department informed of the financial results of the working of the department and thus enable him to use the available resources to the best advantage.

Government are accordingly pleased to direct the constitution of a separate combined Financial Branch to the Agricultural and Veterinary Departments. The duties of the Financial Assistant in charge of this Branch will be broadly classified as under:—

1. Financial Adviser to the Director of Agriculture and Superintendent, Veterinary and Animal Husbandry Services
2. Accounting Officer of these two departments.
3. Officer in charge of the internal audit of the financial transactions of the two departments.

In matters relating to audit and accounts, the officer in charge of the Financial Branch should be guided by instructions issued by the Comptroller.

All objections taken by the Financial Assistant in the discharge of his audit functions will be final, subject to revision by the Comptroller to Government. In cases where there is difference of opinion, the Heads of these Departments should make a reference to the Comptroller who, as the final authority in all matters of audit and accounts, will issue the necessary ruling and he will seek instructions of Government wherever necessary.

The Financial Assistant will work in close collaboration with the Departmental Heads and bring all audit and account irregularities to their notice with as little delay as possible.

The detailed audit of all kinds of expenditure of the Agricultural and Veterinary Departments will be conducted in the Financial Branch instead of in the Comptroller's Office. The audit of revenue and receipts of the department and of the transactions relating to loans and advance should form part of the normal work of the Financial Branch. The system of audit of several classes of receipts and expenditure will be on the lines settled in consultation with the Comptroller, keeping in view the requirements of the departments.

Arrangements will be made for the submission by Treasuries to the Financial Branch of the Agricultural and Veterinary Departments of all Agricultural and Veterinary bills subject to post-audit and particular care should be taken for the custody and care of bills and vouchers. The Comptroller will separately prescribe the returns and the manner and authorities to which they are to be submitted.

All bills payable at Bangalore as also bills which under the rules of the department are submitted to the Director of Agriculture and Superintendent, Veterinary and Animal Husbandry Services for sanction or countersignature and such other bills or classes of bills that may be specified from time to time should be subject to pre-audit by the Financial Assistant.

The Financial Assistant should submit monthly to the Comptroller a classified account of receipts and expenditure of the Agricultural and Veterinary Departments with his audit certificate and all such other accounts and returns as the Comptroller may require should also be submitted to that officer.

The Comptroller or any Deputy Comptroller, specially deputed by him, should arrange for the examination of the accounts and audit work of the Financial Branch at least once a year and submit a report to Government *re* the working of this scheme. His examination should keep the following objects in view :—

(1) A general scrutiny to see that the work is properly performed.

(2) A special scrutiny to see that the scheme of appropriations sanctioned by the Legislative Council is adhered to and that points to be noticed in the Audit and Appropriation reports are brought to his notice by the Financial Assistant and that proper attention is being paid in respect of items arising in higher audit.

The transactions not coming under central audit in the Financial Branch should be subject to complete examination locally by the Financial Assistant. The initial accounts and registers not subject to central audit should undergo through scrutiny in the course of local inspections.

The responsibility of the Director of Agriculture, and Superintendent, Veterinary and Animal Husbandry Services in regard to financial transactions is unaffected by the formation of the new branch which is intended only to afford help and advice in the administration of the department on the financial side.

The scheme for the formation of Financial Branch as above may be given effect to as early as practicable. The Comptroller is requested to submit proposals for additional staff at a minimum cost in consultation with the Director o

Agriculture, and Superintendent, Veterinary Services, after a re-adjustment of the existing staff in the Comptroller's Office and Department of Agriculture and Veterinary Services.

B. S. RAGHAVENDRA RAO, *Finl. Secy.*

PUBLIC WORKS SECRETARIAT

Sanctions the proposal to the temporary employees of the Public Works Department who have put in a continuous service of three years and more being allowed to insure their lives in the official branch of the Mysore State Life Insurance Department.

READ—

Subject No. 4 of the proceedings of the meeting of the Standing Committee for Railway, Public Works and Electrical Departments held at Bangalore on 2nd December 1944 relating to facilities for the temporary employees of the Public Works Department to insure their lives in the official branch of the Mysore State Life Insurance Department.

2. Letter No. 2164—E. dated 6th October 1945, from the Chief Engineer for Irrigation, on the subject.

3. Un-official Note No. OPR. 4678, dated 14th December 1945 of the Secretary, Mysore State Life Insurance Department, on the same subject.

ORDER THEREON No. P. W. 5191-95—EST. 96-45-2, DATED BANGALORE, THE 29TH JANUARY 1946.

At present, temporary employees of the Public Works Department who have put in a continuous service of five years and more are allowed to insure their lives in the official branch of the Mysore State Life Insurance Department. The Standing Committee for Railway, Public Works and Electrical Departments, at their meeting held on 2nd December 1944, have recommended that temporary employees of the Public Works Department who have put in a continuous service of three years and more may be allowed to insure their lives in the official branch. The Chief Engineer for Irrigation and the Secretary, Insurance Department, who were consulted in the matter, agree with the recommendation of the Committee.

Government are pleased to sanction the above recommendation of the Committee.

K. D. JOSHI, *Public Works Secy.*

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